



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6

1445 ROSS AVENUE, SUITE 1200  
DALLAS, TEXAS 75202-2733

AUG 31 2010

**CERTIFIED MAIL, RETURN RECEIPT REQUESTED:**

7009 1680 0002 2887 2479

Mr. Bret Hoffpaur, Production Supervisor  
Gulfport Energy Corporation  
P. O. Box 331  
Hackberry, LA 70645

Re: Expedited SPCC Settlement Agreement  
Docket No. CWA-06-2010-4361  
MP Erwin A  
561 North Main, Hackberry, Cameron, LA

Dear Mr. Hoffpaur:

On June 15, 2010, the subject facility was inspected by the Environmental Protection Agency (EPA). During the inspection, apparent violations of the Spill Prevention, Control and Countermeasures (SPCC) regulations were found. The specific allegations are identified in the enclosed SPCC Inspection Findings, Alleged Violations and Proposed Penalty Form (Penalty Form). EPA has authority under Section 311 of the Clean Water Act to pursue civil penalties for violations of the SPCC regulations. EPA encourages the expedited settlement of easily verifiable violations of SPCC requirements, such as the alleged violations cited in the Expedited SPCC Settlement Agreement (Settlement Agreement). The enclosed Settlement Agreement has been issued in accordance with 40 CFR Part 22, "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits" (available upon request).

Please note that the enclosed listing of alleged violations references SPCC requirements as they currently exist after EPA's July 17, 2002, re-issuance of 40 CFR Part 112. Section 112.3(a) of the regulations published on July 17, 2002, requires compliance with the previously existing regulatory requirements until such time as facility plans have been updated to conform with the new requirements. A cross-reference between the old and the new regulations has also been enclosed. All of the violations cited are violations of both the old and the new regulations.

9491429



You may resolve the cited violations quickly by correcting the cited violations, mailing a check for the penalty as described below, inserting in the space provided on the Settlement Agreement the estimated cost for correcting the violations, and signing and returning the original Settlement Agreement within 30 days of your receipt of this letter. As previously stated, as a condition of the settlement, you must correct the violations within 30 days of your receipt of this letter. EPA, at its discretion, may grant one 30-day extension to come into compliance if you demonstrate that it is technically infeasible or impractical to achieve compliance within 30 days. A request for a 30-day extension should be sent to the Oil Pollution Act (OPA) Enforcement Coordinator at the address given on page 2 of this letter.

The Settlement Agreement, when executed by both parties, is binding on both you and EPA. Upon receipt of the signed document and a check for the amount of the penalty, EPA will take no further action against you for the violations cited in the Settlement Agreement. EPA will neither accept nor approve the Settlement Agreement if returned more than 30 days after the date of your receipt of this letter unless an extension has been granted by EPA.

If you do not pay the penalty and return the Settlement Agreement within 30 days of your receipt of this letter, unless an extension has been granted by EPA, the Settlement Agreement will be automatically withdrawn, without prejudice to EPA's ability to file an enforcement action for the cited violations. Failure to sign and return the Settlement Agreement and pay the penalty within the approved time does not relieve you of the responsibility to comply fully with the SPCC regulations, including correcting the violations that have been specifically identified in the Penalty Form. If you decide not to sign and return the Settlement Agreement and pay the penalty, EPA can pursue more formal enforcement measures to correct the violation(s) and seek penalties of up to \$11,000 per violation up to a maximum penalty of \$32,500.

#### **Payment Procedures:**

You are required in the Settlement Agreement to certify that you have corrected the violations and paid the penalty. The payment for the penalty amount must be in the form of a certified check payable to the "Environmental Protection Agency", with the notation "**Spill Fund - 311**" and the **Docket Number** of the Settlement Agreement on the check. The Docket Number is located at the top of the left column of the Settlement Agreement.

**The original, signed, Expedited Settlement Agreement must be sent via CERTIFIED MAIL to:**

OPA Enforcement Coordinator  
U. S. Environmental Protection Agency  
Region 6 (6SF-PC)  
1445 Ross Avenue  
Dallas, Texas 75202-2733

**The original, Certified Check Payment of the penalty amount must be sent via  
CERTIFIED MAIL to:**

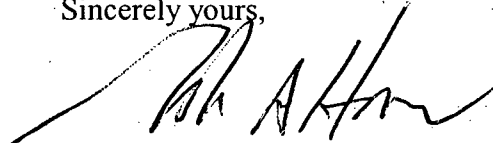
U. S. Environmental Protection Agency  
Fines & Penalties  
P.O. Box 979077  
St. Louis, MO 63197-9000

A copy of the Settlement Agreement and of the penalty payment should be retained by you. EPA will forward to you a copy of the fully executed Expedited Settlement Agreement.

By terms of the Settlement Agreement, and upon EPA's receipt of the signed Settlement Agreement and a check for the amount of the penalty, you waive your opportunity for a hearing pursuant to Section 311 of the Clean Water Act. EPA will treat any response to the proposed Settlement Agreement, other than acceptance of the settlement offer, as an indication that the recipient is not interested in pursuing an expedited settlement of this matter.

If you have any questions, please contact Bryant Smalley at (214) 665-7368.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Mark A. Hansen', is written over the typed name.

Mark A. Hansen  
Acting Associate Director  
Prevention and Response Branch  
Superfund Division

Enclosures

**Cross Reference of Regulatory Requirements at 40 CFR Part 112 for  
OIL PRODUCTION FACILITIES (ONSHORE)**

<b>OLD RULE</b>	<b>NEW RULE</b>
40 CFR § 112.3 (a), (b), (c), (d), and (e)	40 CFR § 112.3 (a), (b), (c), (d), and (e)
40 CFR § 112.5 (a), (b), and (c)	40 CFR § 112.5 (a), (b), and (c)
40 CFR § 112.7 (b), (c), and (d)	40 CFR § 112.7 (b), (c), and (d)
40 CFR § 112.7 (e)(8)	40 CFR § 112.7 (e)
40 CFR § 112.7 (e)(10)	40 CFR § 112.7 (f)
40 CFR § 112.7 (e)(5)	40 CFR § 112.9 and 40 CFR § 112.13

**Cross Reference of Regulatory Requirements at 40 CFR Part 112 for  
BULK STORAGE FACILITIES**

<b>OLD RULE</b>	<b>NEW RULE</b>
40 CFR § 112.3 (a), (b), (c), (d) and (e)	40 CFR § 112.3 (a), (b), (c), (d) and (e)
40 CFR § 112.5 (a), (b), and (c)	40 CFR § 112.5 (a), (b), and (c)
40 CFR § 112.7 (b), (c), and (d)	40 CFR § 112.7 (b), (c), and (d)
40 CFR § 112.7 (e)(8)	40 CFR § 112.7 (e)
40 CFR § 112.7 (e)(10)	40 CFR § 112.7 (f)
40 CFR § 112.7 (e)(1)	40 CFR § 112.8 (b) and 40 CFR § 112.12 (b)
40 CFR § 112.7 (e)(2)	40 CFR § 112.8 (c) and 40 CFR § 112.12 (c)
40 CFR § 112.7 (e)(3)	40 CFR § 112.8 (d) and 40 CFR § 112.12 (d)
40 CFR § 112.7 (e)(4)	40 CFR § 112.7 (h)
40 CFR § 112.7 (e)(9)	40 CFR § 112.7 (g)



# UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6, 1445 ROSS AVENUE, DALLAS, TEXAS 75202-2733

## EXPEDITED SPCC SETTLEMENT AGREEMENT

DOCKET NO. CWA-06-2010-4361

On: June 15, 2010

At: MP Erwin A, 561 North Main, Hackberry, Cameron, LA, 70645. Owned or operated by: Gulfport Energy Corporation, P. O. Box 331, Hackberry, LA 70645 (Respondent).

An authorized representative of the United States Environmental Protection Agency (EPA) conducted an inspection to determine compliance with the Spill Prevention, Control and Countermeasure (SPCC) regulations promulgated at 40 CFR Part 112 under Section 311(j) of the Clean Water Act (33 U.S.C. § 1321(j)) (the Act), and found that Respondent had violated regulations implementing Section 311(j) of the Act by failing to comply with the regulations as noted on the attached SPCC INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY FORM (Form), which is hereby incorporated by reference.

The parties are authorized to enter into this Expedited Settlement under the authority vested in the Administrator of EPA by Section 311(b) (6) (B) (i) of the Act, 33 U.S.C. § 1321(b) (6) (B) (i), as amended by the Oil Pollution Act of 1990, and by 40 CFR § 22.13(b). The parties enter into this Expedited Settlement in order to settle the civil violations described in the Form for a penalty of \$975.00. This settlement is subject to the following terms and conditions:

EPA finds the Respondent is subject to the SPCC regulations, which are published at 40 CFR Part 112, and has violated the regulations as further described in the Form. The Respondent admits he/she is subject to 40 CFR Part 112 and that EPA has jurisdiction over the Respondent and the Respondent's conduct as described in the Form. Respondent does not contest the Inspection Findings, and waives any objections it may have to EPA's jurisdiction. The Respondent consents to the assessment of the penalty stated above. Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the violations have been corrected and Respondent has sent a certified check in the amount of \$975.00, payable to the "Environmental Protection Agency," to: "USEPA, Fines & Penalties, P.O. Box 979077, St. Louis, MO 63197-9000," and Respondent has noted on the penalty payment check "Spill Fund-311" and the docket number of this case, "CWA-06-2010-4361."

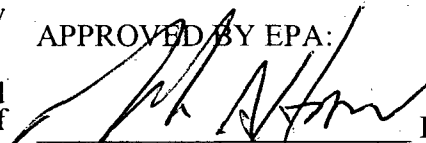
Upon signing and returning this Expedited Settlement to EPA, Respondent waives the opportunity for a hearing or appeal pursuant to Section 311 of the Act, and consents to EPA's approval of the Expedited Settlement without further notice.

If Respondent does not sign and return this Expedited Settlement as presented within 30 days of the date of its receipt, the proposed Expedited Settlement is withdrawn without prejudice to EPA's ability to file any other enforcement action for the violations identified in the Form.

After this Expedited Settlement becomes effective, EPA will take no further action against the Respondent for the violations of the SPCC regulations described in the Form. However, EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by the Respondent of the SPCC regulations or of any other federal statute or regulations. By its first signature, EPA ratifies the Inspection Findings and Alleged Violations set forth in the Form.

This Expedited Settlement is binding on the parties signing below, and is effective upon EPA's filing of the document with the Regional Hearing Clerk.

APPROVED BY EPA:

 Date: 8-31-10

Mark A. Hansen  
Acting Associate Director  
Prevention and Response Branch  
Superfund Division

APPROVED BY RESPONDENT:

Name (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

\_\_\_\_\_  
Signature Date: \_\_\_\_\_

Estimated cost for correcting the violation(s) is \$ \_\_\_\_\_

IT IS SO ORDERED:

\_\_\_\_\_  
Date: \_\_\_\_\_  
Samuel Coleman, P.E.  
Director  
Superfund Division